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Administrator

UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re:

PG&E CORPORATION,

-and-

PACIFIC GAS AND ELECTRIC COMPANY,

Debtors.

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case)

(Jointly Administered)

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

Date: TBD
Time: TBD
Place: United States Bankruptcy Court
Courtroom 17, 16th Floor
San Francisco, CA 98102

**All papers shall be filed in the Lead Case, No.
19-30088 (DM).*

Objection Deadline: June , 2020, at
4:00 p.m. (Pacific Time)

FIRST SUMMARY REPORT
OF FEES AND EXPENSES OF FIRE VICTIM TRUSTEE, CLAIMS
ADMINISTRATOR & PROFESSIONALS RETAINED BY FIRE VICTIM
TRUST PURSUANT TO APPOINTMENT ORDERS [DOCKET NOS. 6759 & 6760]

Pursuant to the *Order Granting Application of the Official Committee of Tort Claimants pursuant to 11 U.S.C. §§ 1103 and 363 and Fed. R. Bankr. P. 2014 and 5002 to Retain and Employ Hod. John J. Totter (Ret.) as Trustee Nunc Pro Tunc to January 13, 2020* [Docket No. 6760] and *Order Granting Application of the Official Committee of Tort Claimants pursuant to 11 U.S.C. §§ 1103 and 363 and Fed. R. Bankr. P. 2014 and 5002 to Retain and Employ Cathy Yanni as Claims Administrator Nunc Pro Tunc to January 13, 2020* [Docket No. 6759] (together the “**Appointment Orders**”), the Hon. John K. Trotter (Ret.), as Trustee of the Fire Victim Trust (the “**Trustee**”), in the above-captioned Chapter 11 cases of PG&E Corporation, et al. (the “**Debtors**” and the “**Chapter 11 Case**”), submits this First Summary Report of Fire Victim Trustee’s, Claims Administrator’s, and Professionals’ Fees and Expenses for the period of January 13, 2020 through and including March 31, 2020 (the “**First Summary Report**” and “**Reporting Period**”).

SUMMARY OF REPORT

The Appointment Orders require the Trustee to provide a monthly submission: (i) detailing the amounts of fees and expenses incurred by the Claims Administrator, the Trustee and the Trust Professionals (as defined in the Appointment Orders) in the preceding month; and (ii) his determination that the amounts paid to each professional is reasonable and necessary based on the services provided. *See* Appointment Orders, ¶ 8. During the Reporting Period, the Trustee and Claims Administrator retained the following Trust Professionals: (i) administrative staff assisting the Claims Administrator; (ii) Fire Victim Claim Budgeting Staff; (iii) an accountant; (iv) BrownGreer PLC; and (v) Brown Rudnick LLP.¹ During this first Reporting Period, which covers the period from January 13, 2020 through March 31, 2020, the Trustee and Claims Administrator and their professional teams incurred total fees of \$2,878,948.50 and expenses of \$131,902.79. The Trustee has considered and reviewed the services rendered by the Claims Administrator and each of the invoices for the Trust Professionals. Based on his review of such invoices, the Trustee has determined that all of the fees and expenses included in this First Summary Report for the

¹ Trustee and Claims Administrator may retain additional professionals prior to the Effective Date of the Plan, as authorized by the Appointment Orders.

Reporting Period were actual, necessary and reasonable compensation or reimbursement for services rendered during the Reporting Period.

AGGREGATE SUMMARY REPORT

General Information

Reporting Party	Justice John K. Trotter, Trustee
Date of Order Approving Payment of Fees and Expenses of Reporting Party	April 14, 2020

Summary of Fees and Expenses Included in this Report

Time Period Covered by this Report	January 13, 2020 through March 31, 2020
Total Aggregate Fees That were Actual, Reasonable, and Necessary for the Reporting Period	\$ 2,878,948.50
Total Aggregate Expense Reimbursement That were Actual, Reasonable, and Necessary for the Reporting Period	\$ 131,902.79

Summary of Fees and Expenses by Professional

Trustee	\$ 229,500.00
Claims Administrator	\$ 617,402.20
Claims Administrator's Staff	\$ 59,937.50
Fire Victim Claim Budget Staff	\$ 163,084.17
BrownGreer PLC	\$ 747,171.54
Brown Rudnick LLP	\$ 1,162,181.97
Accounting Staff Fees & Expenses	\$ 31,573.91
Total Fees & Expenses	\$ 3,010,851.29

Summaries of Total Amounts Paid For The Reporting Period

Trustee	\$ 229,500.00
Claims Administrator	\$ 617,402.20

1	Claims Administrator's Staff	\$ 59,937.50
2	Fire Victims Claim Budget Staff	\$ 163,084.17
3	BrownGreer PLC	\$ 299,178.29
4	Brown Rudnick LLP	\$ 400,000.00
5	Accounting Staff Fees & Expenses	\$ 21,375.00
6		
7	Total Fees & Expenses Actual Paid	\$ 1,790,477.16

INDIVIDUALIZED REPORT

I. Trustee's Fees & Expenses²

During the Reporting Period, the Trustee expended considerable time on all matters of coordinating the formulation and establishment of the Trust with the purpose of maximizing benefit to Fire Victims. The Trustee participated in numerous day-long negotiations between various interested parties on a variety of issues relating to the to-be formulated trust. The Trustee held numerous phone conferences with parties-in-interest in order to gain an understanding of the goals and concerns of various types of Fire Victims with respect to the Trust. The Trustee worked with his counsel and communicated with the TCC and other stakeholders to understand the negotiations and mediations that have taken place and continue to take place in respect of the multitude of documents, agreements and settlements that will affect the Trust's corpus and administration. The Trustee interviewed and selected professionals to assist him in carrying out the Trust. Additionally, the Trustee met often with counsel and other Trust Professionals to develop positions and direct Trust Professionals on the formulation of the Trust Documents and the processes being developed for the administration of Fire Victim Claims and the Trust generally.

² During the course of preparing the Budget (as defined in the Appointment Orders), the Trustee determined and estimated that well over half of his standard working week of 40 hours a week was being devoted to Pre-Effective Date work on the Trust. Therefore, the Trustee determined that a conservative estimate of 165 hours would be expended over the course of approximately two and a half months included in the Reporting Period would be devoted to work covered by the Appointment Orders. The Trustee confirms that he has spent in excess of half of his working week on matters covered by the Appointment Orders during the Reporting Period. Therefore, the Trustee submits that the estimated hours included herein are reasonable and accurate.

Summary of Hours and Fees			
Title & Name Of Professional	Rate	Hours	Amount
Hon. John K. Trotter (ret.)	\$ 1,500	153.00	\$ 229,500.00

Summary of Expenses	
Expense	Amount
None	\$ 0.00

II. Claims Administrator's Fees & Expenses³

During the Reporting Period, the Claims Administrator was intimately involved in all matters of formulating and establishing the Trust Documents particularly as they relate to and affect aspects of the claims resolution process. The Claims Administrator assisted the Trustee in multiple day long meetings and negotiations between the TCC and other parties in interest concerning the Trust Documents and various aspects of the claims resolution process and Claims Resolution Procedures.

The Claims Administrator devoted considerable time coordinating with BrownGreer PLC, professionals associated with the TCC, other Trust Professionals, and other parties-in-interest in processing and organizing the vast and varied sum of data and documents related to the Fire Victim Claims. The Claims Administrator expended substantial time with BrownGreer PLC, her budgeting staff and other Trust Professionals to begin developing the complex claims intake forms and processes that will be used to organize the approximately 80,000 claims that must be administrated under the Claims Resolution Procedures. Additionally, the Claims Administrator

³ During the course of preparing the Budget (as defined in the Appointment Orders), the Claims Administrator estimated, and the Trustee agreed it was reasonable, that the Claims Administrator would be devoting substantially all of her work week and significant portions of her weekend time to Pre-Effective Date work on the Trust. The Claims Administrator and Trustee agreed that the Claims Administrator would, during the course of the two and a half month long Reporting Period spend an estimated 355 hours on work addressed by the Appointment Orders. The Claims Administrator has confirmed to the Trustee that this estimate was accurate. Therefore, as stated previously in this First Summary Report, the Trustee has determined that such fees are actual, reasonable and necessary.

1 worked closely with BrownGreer PLC and her budgeting staff in order to begin to develop the
2 economic and valuation modeling of claims categories claims resolution process and distribution
3 process.

Summary of Hours and Fees			
Title & Name Of Professional	Rate	Hours	Amount
Cathy Yanni	\$1,250	415.20	\$ 519,000

Summary of Expenses	
Expense	Amount
Computer/TV Monitor	\$ 2,005.24
Computer	\$ 5,376.96
JAMS-Case Mgmt Fee – Feb - March ⁴	\$ 91,020.00
Total Expenses	\$ 98,402.20

17 **III. Claims Administrators' Staff Members' Fees & Expenses**

18 Mr. David Agretelis provided instrumental administrative, coordinative, and substantive
19 support to the Claims Administrator and the Trustee on all issues facing the putative Trust during
20 the Reporting Period. Mr. Agretelis worked hand-in-hand with the budgeting staff and other Trust
21 Professionals to begin processing and organizing the data necessary to administer the Claims
22 Resolution Procedure. Mr. Agretelis participated, alongside the Claims Administrator and
23 BrownGreer, in many meetings, conferences, and planning sessions in respect program budgeting,
24 developing the claims review protocols, and designing the claims questionnaires. Mr. Agretelis also

26 ⁴ The JAMS Case Management Fee is an administrative fee for dedicated services, including all administration
27 through the duration of the case, back office assistance, document handling, use of JAMS conference facilities, on site
28 business support. Specifically, during the Reporting Period, there were, *inter alia* multiple day-long conferences held at
JAMS conference facilities that required various break out rooms, technical and administrative support.

acted as the liaison between the Claims Administrator and BrownGreer and other Trust Professionals in respect of all data collection, claims processing, budgeting and/or modeling tasks.

Summary of Hours and Fees by Professional			
Title & Name Of Professional	Rate	Hours	Amount
David Agretelis Feb. to March	\$ 350	171.25	\$ 59,937.50

Summary of Expenses	
Expense	Amount
None	\$ 0.00

IV. Fire Victim Claim Budgeting Staff's Fees & Expenses

During the Reporting Period, Eric Kennedy and his team worked with the Claims Administrator, BrownGreer and other Trust Professionals to begin structuring and developing the modeling for economic and valuation budgeting of the claims resolution process, including but not limited to the modeling of the following types of claims: real property, personal property, personal income loss, business loss, wrongful death and serious personal injury, emotional distress, and other damages.

Summary of Hours and Fees by Professional			
Title & Name Of Professional	Rate	Hours	Amount
Eric Kennedy	\$ 1,100	135.20	\$ 148,720.00
Brian Roof	\$ 700.00	5.20	\$ 3,640.00
Total Fee			\$ 152,360.00

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Summary of Expenses	
Expense	Amount
Travel	\$ 4,622.76
Hotel	\$ 5,771.98
Ground Transportation	\$ 253.12
Meal	\$ 76.31
Total Expenses	\$ 10,724.17

V. BrownGreer PLC's Fees & Expenses⁵

During the Reporting Period, BrownGreer began the development of the program's database, which will be used as the centralized repository for all functions related to the processing of claims submitted by the Fire Victims. BrownGreer has committed software programmers and developers to build out the fundamentals of the database, design and build the functions and capabilities necessary to execute the program and to begin incorporating the data and information already available to BrownGreer. Additionally, BrownGreer has worked to integrate certain third party data sources into the program database described above.

During the Reporting Period, BrownGreer worked closely with the Claims Administrator and her budgeting and administrative staff to design and develop the various claims questionnaires and other form documents tailored to the different damage categories covered by the Claims Resolution Procedures, including real property, personal property, personal income loss, business loss, wrongful death and serious personal injury, emotional distress, and other damages. Similarly, BrownGreer is working on identifying the types of evidence and supporting documents that will be requested and required for the establishment of the eligibility of each claim. In addition, and in conjunction with the Claims Administrator and her budgeting and administrative staff, BrownGreer

⁵ This First Summary Report only includes BrownGreer's fees and expenses for January and February 2020. Brown Greer's fees and expenses for March 2020 will be included in the Report for the next Reporting Period.

1 has worked on developing and defining the elements and requirements for eligibility. BrownGreer
2 has also worked intimately with the Claims Administrator's budgeting staff to begin modeling and
3 planning the budget.

Summary of Hours and Fees by Professional			
Title & Name Of Professional	Rate	Hours	Amount
BrownGreer,PLC (Jan. Fees)		1244.10	\$291,277.50
BrownGreer,PLC (Feb. Fees)		1947.30	\$438,567.50
Total Fees			\$ 729,845.00

Summary of Expenses	
Expense	Amount
January Expenses	\$ 7,900.79
February Expenses	\$ 9,425.75.00
Total Expenses	\$ 17,326.54

19
20 **VI. Brown Rudnick's Fees & Expenses**

21 During the Reporting Period, Brown Rudnick reviewed and provided advice to the Trustee
22 and Claims Administrator on the fundamental construction of the Fire Victim Trust documents. In
23 particular, Brown Rudnick reviewed, analyzed and assisted in drafting the Trust Agreement.
24 Brown Rudnick participated in many discussions with various case parties in respect of the Trust
25 Agreement, its provisions and corresponding provision in the Plan. Brown Rudnick communicated
26 with counsel to the TCC and other stakeholders in order to progress the Trust Documents in the
27 interests of the Fire Victims, including reviewing Trust Documents such as the Plan, Trust
28 Agreement, and Claims Resolution Procedure provisions for consistency. Brown Rudnick also

1 advised and assisted the Trustee and the Claims Administrator in obtaining their appointment and
2 negotiating the funding of the Trust and its professionals for the benefit of the Fire Victims.

3 Additionally, during the Reporting Period, Brown Rudnick advised and assisted the Trustee
4 and Claims Administrator in organizing the various financial, accounting, and reporting roles and
5 mechanisms necessary to ensure that the Trust will be functional on the Effective Date. Brown
6 Rudnick organized and participated in interviews with financial institutions, Delaware
7 professionals, accountants and financial advisors and advised the Trustee and Claims Administrator
8 on their selection of additional professionals. Brown Rudnick assisted the Trustee, Claims
9 Administrator and their professionals in developing customary and ordinary protocols for cash
10 management and trust operations, consistent with other similarly situated and constituted post-
11 confirmation bankruptcy settlement trusts.

12 Brown Rudnick also provided advice to the Trustee and Claims Administrator on the
13 various and complex tax issues that face the Trust and Fire Victims. Brown Rudnick began
14 analyzing the tax consequences of distribution to Fire Victims on account of the different types of
15 claims that are able to be asserted in the Fire Victim Trust. Brown Rudnick also provided advice to
16 the Trustee and Claims Administrator on the tax consequences and issues attendant to the various
17 forms of consideration that is proposed to be provided to the Trust upon the Effective Date of the
18 Plan.

19 As the Trust will be funded in large part with the stock of the reorganized company, Brown
20 Rudnick advised the Trustee and Claims Administrator on various matters involving regulatory
21 requirements as a stockholder of a reporting company in order to ensure the Trust's compliance
22 therewith on and following the effective date. Additionally, Brown Rudnick advised the Trustee
23 and Claims Administrator on the Trust's ability to dispose of stock of the reorganized company in
24 compliance with securities regulations following the effective date. In particular, Brown Rudnick
25 worked closely with counsel and the financial advisors to the TCC to progress discussions and
26 negotiations of registration rights applicable to the Trust after the effective date. Brown Rudnick
27 reviewed, analyzed and assisted with the drafting of a term sheet on registration rights matters and
28 a registration rights agreement. In connection therewith, Brown Rudnick reviewed and analyzed

various precedent transactions and documents. Furthermore, Brown Rudnick also reviewed and assisted with revisions to the corporate governance documents of the reorganized company and the utility in connection with terms applicable to the Trust's rights as a stockholder.

Summary of Hours and Fees by Professional

Name Of Professional	Position/Year Admitted to Practice/Department	Rate	Hours	Amount
David J. Molton	Partner 1983 Bankruptcy & Corporate Restructuring	\$ 1,405	143.60	\$ 201,758.00
Steven Pohl	Partner 1989 Bankruptcy & Corporate Restructuring	\$ 1,295	90.30	\$ 116,938.50
Phillip J. Flink	Partner 1981 Corporate & Capital Markets	\$ 1,175	41.70	\$ 48,997.50
Barbara J. Kelly	Counsel 1982 Corporate & Capital Markets	\$ 1,060	227.60	\$ 241,256.00
Oksana P. Lashko	Partner 2008 Bankruptcy & Corporate Restructuring	\$ 1,000	105.70	\$ 105,700.00
Nicole M. Bouchard	Partner 2005 Corporate & Capital Markets	\$ 865	8.20	\$ 7,093.00
Gerard T. Cicero	Associate 2015 Bankruptcy & Corporate Restructuring	\$ 800	161.50	\$ 129,200.00
Graciela K. Aguero	Associate 2016 Corporate & Capital Markets	\$ 630	24.20	\$ 15,372.00
Cyavash N. Ahmadi	Associate 2014 Corporate & Capital Markets	\$ 585	34.70	\$ 20,299.50

1	Susan Sieger-Grimm	Associate 1994 Bankruptcy & Corporate Restructuring	\$ 545	366.00	\$ 199,470.00
2					
3	Samuel V. Toomey	Associate 2019 Corporate & Capital Markets	\$ 485	124.90	\$ 60,576.00
4					
5	Nina Khalatova	Paralegal Bankruptcy & Corporate Restructuring	\$ 395	26.00	\$ 10,270.00
6					
7					
8	Total Fees Incurred				\$ 1,156,931.00
9					

Summary of Expenses ⁶	
Expense	Amount
Travel	\$ 1,129.89
Specialized Online Research Services	\$ 445.00
Westlaw	\$ 1,558.18
Pacer	\$ 56.30
Copies	\$ 2,061.60
Total Expenses	\$5,250.97

20 **VII. Accounting Fees & Expenses**

21 Over the course of the Reporting Period, Tim Jorstad and his team have established the
 22 necessary bank accounts and processes for the Trust during the interim period. In consultation with
 23 Brown Rudnick, the Trustee and the Claims Administrator, Tim Jorstad and his team have designed
 24 banking, accounting, and disbursement processes for the Trust in advance of the Effective Date.
 25 Additionally, Tim Jorstad and his team have assisted in identifying, interviewing and evaluating
 26 proposals from financial institutions in connection with the Trust. More particularly, the services

27 ⁶ Will be updated to include April 2020 Expenses.
 28

rendered by Jorstad, Inc. included to interviewing banks for claims disbursements, meeting with BrownGreer to discuss claims processing and payment process, meeting with investment banking firms to discuss PG&E stock valuation, liquidation and hedging options. Additionally, professionals from Jorstad, Inc.: (1) interviewed financial institutions for US Treasury portfolio management; (2) interviewed a Delaware Statutory Trust candidate to set up statutory trust; (3) interview insurance brokers for insurance coverage for Trustee, staff and Trust; and (4) interviewed CPA firms to prepare annual audited financial statements for trust and interview business management/CPA firms for Trust accounting, banking and bill payment.

Summary of Hours and Fees by Professional

Title & Name Of Professional	Rate	Hours	Amount
Jorstad Incorporated Tim Jorstad (Feb. - March Fees)	\$500	62.75	\$31,375.00

Summary of Expenses

Expense	Amount
QuickBooks Check Printing	\$ 198.91

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CONCLUSION

WHEREFORE, Justice Trotter has attached hereto as **Exhibit A**, his certification that he has reviewed all of the fees and expenses discussed herein and has determined that the payments and disbursements made on account of such fees and expenses were reasonable and necessary in light of the services rendered.

DATED: May 15, 2020

BROWN RUDNICK LLP



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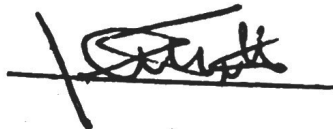
Attorneys for Trustee and Claims
Administrator

EXHIBIT “A”

CERTIFICATION

I, John K. Trotter, pursuant to section 1736 of title 28 of the United States Code hereby declare and certify under penalty of perjury that I have reviewed all of the fees and expenses discussed in the First Summary Report to which this certification is appended to as an exhibit and have determined that the payments and disbursements made on account of such fees and expenses were reasonable and necessary in light of the services rendered

Hon. John K. Trotter (Ret.)

A handwritten signature in black ink, appearing to read "John K. Trotter", is written over a horizontal line. A diagonal line is drawn across the signature from the bottom left to the top right.